LINDA LINGLE GOVERNOR

Telephone: (808) 586-2020

Facsimile: (808) 586-2068



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE

465 S. KING STREET, #103 HONOLULU, HAWAII 96813 CARLITO P. CALIBOSO CHAIRMAN

> JOHN E. COLE COMMISSIONER

LESLIE H. KONDO COMMISSIONER

e-mail: Hawaii.PUC@hawaii.gov

October 9, 2008

Darcy L. Endo-Omoto Vice President, Government and Community Affairs Hawaiian Electric Company, Inc. P.O. Box 2750 Honolulu, Hawaii 96840-0001

Cheryl S. Kikuta
Utilities Administrator
Division of Consumer Advocacy
P.O. Box 541
Honolulu, Hawaii 96809

David C. Coker, Esq.
Gayle B. Chestnut, Esq.
Associate Counsel (Code 09C)
Naval Facilities Engineering Command Pacific 258 Makalapa Drive, Suite 100
Pearl Harbor, Hawaii 96860-3134

Re:

Docket No. 2008-0083 - Application of Hawaiian Electric Company, Inc. for Approval of Rate Increases and Revised Rate Schedules and Rules

## Dear Parties:

For your information and review, enclosed please find copies of public comments and correspondence received by the commission in the above-referenced docket.

If you have any questions, please do not hesitate to contact me at 586-2019.

Sincerely.

Kaiulani Kidani Shinsato Commission Counsel

## **Enclosures**

c: Thomas W. Williams, Jr., Esq. and Peter Y. Kikuta, Esq. (w/enclosures)
Dean K. Matsuura (w/enclosures)
Dr. Kay Davoodi (w/enclosures)



To <Hawaii.PUC@hawaii.gov>

cc <gpa@hawaii.rr.com>

bcc

Subject HECO energy increase

To whom it may concern,

The recent additional energy charge that has been added to our electric bill is unacceptable! How do you allow anyone to increase a charge by 50% in a single years time?? We ourselves are dealing with paying an additional gas charge of \$400 a month commuting from Ewa Beach to down 5 days a week. Our bosses are not giving us a pay raise to deal with our additional cost. I work for a hotel. They are laying people off and cutting the price of rooms, because no one can afford to stay in a hotel and pay for all these huge increases!

Our electric bill went from \$210 a year ago to \$335 this August. We used a little less electricity but our bill increased \$125.00????? That is a 50% increase!!! No one raises their prices by that much in one year. You should be imprisoned for allowing this. And now we received a letter that HECO wants to increase prices again in 2009???? Are they crazy?? Please come back to reality and put prices back to where they were a year ago, and only allow slow reasonable increases.

Sincerely,

Rebecca Alcos

gpa@hawajj.rr.com



"Nicola, Nancy" <nnicola@honolulu.gov> 10/06/2008 09:26 AM To <Hawaii.PUC@hawaii.gov>

CC

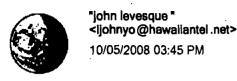
bcc

Subject 2008 RATE INCREASE REQUESTED BY HECO

After receiving my current electric bill, I became aware of the 2005/2006/2007 rate increases that were already in effect. I am asking you to please consider the consequences of approving an additional rate increase on Doc.#2008-0083. As a homeowner and resident of Hawaii, it is becoming increasingly difficult to keep up the these increases. This month alone my bill increased by almost \$100.00. Where does this end? Please consider the consequences to the people of Hawaii if these increases continue to be approved. Feel free to contact me. Thank you.

Mrs. Nancy Nicola 84-544 Manuku Street Waianae, HI 96792

Phone #695-8868 (H)



To <hawaii.PUC@hawaii.gov>

CC

bcc

Subject HECO-Rate Increase

I just read my HECO bill insert notifying customer that they will be requesting a rate increase next year. PLEASE, PLEASE, DO NOT APPROVE THIS REQUEST!!

HECO has had this state in a chokehold for years. We would have made substantial inroads toward the development of alternative energy if HECO had not been allowed to drag its feet for over 20 years. Actually, they haven't been dragging their feet, they have duq deep in the ground. They haven't budged an inch. No one has stopped their relentless and successful attempts to halt any alternative energy research and/or development.

The price for a barrel of oil has dropped from \$136/barrel at its peak to \$115/barrel, yet HECO's fuel surcharge keeps going up and up and up! It is absolutely outrageous that they continue to gouge the residents of Hawaii.

THE PUC HAS THE POWER TO STOP THEM!!! REJECT THE REQUEST FOR RATE INCREASES!!!



## "Roland Kersting" <mustang 1951 d@msn.com> 10/03/2008 01:07 PM

To <Hawaii.PUC@hawaii.gov>

CC

bcc

Subject Requested Increase in Rates, Fares and Charges by Hawaiian Electric Company

Gentlemen,

My figures indicated that the cost per KWH increased 32+% from January 2007 to January 2008. They requested a RATE increase in 2005, 2007 and now 2009.

Apparently it doesn't seem to matter to the PUC because the PUC doesn't have to approve the rate increase...they just do nothing and the Hawaiian Electric Company falls back on the Revised Statute #269-16(d which allows them to increase the Rate, Fares and Charges, under what they call an "interim decision", "interim surcharge", "interim rate increase". They seem to come up with a number of "verbal euphemisms" that develop into additional costs such as, "Non-fuel Energy", "IRP Cost Recovery" and "Energy Cost Adjustment". The price for a barrel of oil has been going down. I've seen change in Gasoline prices but nothing from Hawaiian Electric. What's going on?

They're planning to build another structure by increasing our Rate, Fares and Charges? They have made a great deal of profit and that's where it should come from, not by fleecing the customers by saying it's the cost of oil.

I believe that the Hawaiian Electric Company has had their way for a number of years, with the biessing of the PUC. I believe their operation should be closely scrutinized by the PUC to eliminate waste, unnecessary and extravagant salaries, benefits and bonuses. This corporation provides service to the public and NOT to serve itself. It has no competition. If it did, Hawaiian Electric would be put out of business by a competitor within a few years. Since the public has no choice, Hawaiian Electric MUST be properly and economically managed.

They should NEVER be allowed to use the previously mentioned Statute again. The PUC must require absolute proof in their evidentiary records, NOT a MAYBE.

Respectfully submitted,

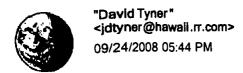
Roland Kersting

2008-0083)

96813+2910

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Torner & believer



To <Hawaii.PUC@hawaii.gov>

bcc

Subject docket #2008-0083

Gentlemen.

Having just received the latest bill from the Board of Water Supply I felt inclined to send an e-mail addressing some concerns. I am aware of the increases authorized for the Board of Water Supply to acquire funds to repair and upgrade our sewer systems and water treatment capabilities. Although, I think the percentages and number of years increases have been authorized is excessive for the average citizen. To make my case I share with you the water bill I have received for my daughter's apartment at 1942B Dole St. For the past six months she has used approximately 1000 gallons each billing cycle. That is less than 20 gallons a day. However, the bill has increased to \$108.50. In March of this past year she did not use enough water to register as minimum use and we still received a bill for \$90.10. My primary residence expenses have only been about \$50 more than this with a significantly larger amount of water being consumed. I am willing, as a taxpayer, to do my part in making Honolulu, Oahu, and Hawaii a better place to live. It bothers me greatly though when I feel like I am being taken advantage of because city, county, and state officials have been remiss in addressing infrastructure concerns until they become a crisis.

I am aware that there was a hearing recently for HECO requesting a rate increase through the PUC to offset costs of upgrading our electrical grid and building a new power plant. This is another agency that I feel is deep in my pocket each month with ridiculously high costs for energy. I am not talking about the few pennies they charge for the electricity I use. Based on how it is calculated we are receiving electricity at bargain rates. That is until you account for the flexible fuel cost tacked on to the bill. Then the cost goes up dramatically. Of course this figure is not used because the fuel charge doesn't get added as an actual expense for electricity. Well, it still comes out of my pocket and it goes into HECO's hands. Based on a previous e-mail I sent to elected officials concerning this issue my electric bill late last year increased some 20% in cost over a six month period.

I ask you now, when is it enough? How many families must wind up in our parks and on our beaches as homeless before the bleeding stops? Yes, these types of increases do put people on the streets because they cannot afford to pay for these types of increases. I am fortunate that I run my household budget a lot more responsibly than our government seems to run their budget. However, that will only get me so far before increases in bills overcome my ability to cover them. Mind you, I am not in debt other than my mortgage. Many of the residents of Hawaii are not as fortunate. In case you have not realized it, most of us have not received double digit increases in our pay each year. As the economy slows due to reduced tourism many will probably lose the jobs they have now. So, I implore each of you to consider if allowing HECO to raise its prices now is a smart thing to do for the people of Hawaii. I would also ask that you each take a hard look at any requests to increase utilities weighing the cumulative effects on the residents of Hawaii. I am not an economist, but I can see that your actions could put hundreds of people on the streets without a home. I implore you to take a look at alternative ways to allow the utility companies to raise funds for upgrades and expansion. Perhaps a bond issue or private investment to raise capitol. I, for one, definitely do not agree with a raise in electricity rates now on top of the multi-year raises already in place for the Board of Water Supply.

I appreciate your taking the time to consider these issues. God bless and aloha. David Tyner 94-1006D Maiau Street Waipahu, Hi 96797

September 15, 2008

PUBLIC UTILITIES
PUBLIC UTILITIES
COMMISSION

Public Utilities Commission 465 South King Street #103 Honolulu, Hawaii 96813

.. Dear Sir: -

Here we go again ... HECO asking for more money to fund their projects. Why do we have to pay for them? Why can't they use their profits like most companies do. Why is it evertime they have a project we have to pay for it?

They want an increase so they can provide reliable service! Well, I should think being in the business it's part of normal business.

They make it sound like they will lower the rates when they get to using moreilocal and renewable fuel sources. Sounds like just words to me. Once our rates are that high, I can bet they would never lower it because they will have some other reason why they should maintain. This is how living in Hawaii gets too much expensive. Only your people can stop this outrageous increases.

I just received my electric bill and it was over \$500!!! Yipes. That really scared me. I am not amhigh paid officer of a company, but just an office worker. My electric bill is high because I have to run these life saving machineries so my disabled husband can live. I feel I have no control over my use of electricity in myhhome.

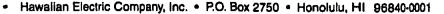
And here they say the more you use, the more you will get charged. I can't help using the electricity that I use. I have to unless he dies. I hardly cook at home; I have a solarsystem; only my husband and I reside at home.

About growth in Ko Olina and Ocean Pointe. Why can't they charge the homeowners who buy houses there? Put it in the cost of the house.

And another thing, they should eliminate big bonuses so they can carry on their projets.

Like I said, I really am frightened with my electric bill rising and rising. First time I ever felt like this. Imagine it - over \$500 from my paycheck to pay for electricity. Incredible.

Lots of people are getting laid off because of the bad economy. Now is a bad time for HECO to be asking for increases. Focus out of the request and look at the people. Please don't make our lives more miserable.





PUBLIC UTILITIES COMMISSION

August 2008

Dear Customer:

As you may have heard, Hawaiian Electric has filed a request with the Hawaii Public Utilities Commission (PUC) asking for a 5.2% increase in electric rates in 2009. The request is subject to extensive review by the PUC and the State Consumer Advocate, and any increase, if approved, would likely not take effect until mid-2009 at the earliest.

We know that you are already coping with rising fuel prices affecting the cost of almost everything in Hawaii, including air travel, marine transportation, gasoline and electricity.

Hawaiian Electric does not add a profit on fuel costs; you pay only the actual cost of fuel used to produce electricity. Still, we know that doesn't make the current situation any casier.

A rate increase is never popular, but it is very important that we provide reliable electric service for all our customers. A strong electric system is essential for reliable service and to support more renewable energy, as well as a "smart grid" that will provide expanded options, including more control over your electric bill. We are committed to playing a central role in helping Hawaii move away from the use of fossil fuels to more local and renewable fuel sources.

One major project covered by this request is a new generating unit at Campbell Industrial Park to be fueled with renewable biodiesel that will help "green" the power grid and reduce greenhouse gas emissions. As the first new central power plant on Oahu in almost two decades, it is most needed during the high-demand evening hours and to help maintain reliability as Oahu adds more as-available renewable energy, such as wind power. It is expected to be in service in July 2009.

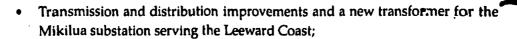
The filing-also-incorporates ticred-residential electric rates to reward customers with lower-rates for lower usage. With the tiered rates, assuming the full request is granted, the majority of residential customers would see a smaller increase of between 3% and 4%. A proposal for voluntary residential time-of-use rates is also part of this filing. This will encourage customers to move use from the 3 to 8 p.m. peak demand time to hours when generation reserves are greater.

Clocky: Got hetwen these times— HA I This is dinner The requested increase would cover more than \$375 million invested in new capital time!

projects to be completed in 2008 or 2009. A few of these are: Hone Can Lange See This

- The new 110 MW biofueled generating unit mentioned above and a related 138 kV transmission line at Campbell Industrial Park;
- New or expanded substations and lines to support growth and improve service, such as at Ko Olina and Ocean Pointe;

(over)



- Replacement and upgrading of underground lines to improve reliability for Waikiki and other parts of Oahu including the Puuloa Road widening project and in Makakilo;
- Power plant control room and boiler upgrades, and other improvements to increase reliability of aging generating units; and
- Investments in overhead and underground lines, transformers, poles, meters, and other equipment to maintain reliability and fulfill new service requests from customers.

Increasing maintenance costs include more frequent inspections of lines and poles and more tree trimming. Sharp increases in the cost of steel and other materials are also contributing to higher overall operating and maintenance costs.

To provide you with more information about this request and the opportunity to express your views and concerns, the PUC will hold a public hearing:

## **PUC Public Hearing**

Date: Thursday, September 18, 2008

Time: 6 p.m.

Place: Public Utilities Commission Hearing Room (Room B-3)

465 South King Street

Written statements may be submitted before or at the public hearing. Statements may be mailed to the Public Utilities Commission, 465 South King Street #103, Honolulu, HI 96813 or sent by email to Hawaii.PUC@hawaii.gov. If you would like to review the rate case filing, a copy is available at the PUC office (weekdays 7:45 a.m. to 4:30 p.m.) or at HECO's offices at 820 Ward Avenue or 900 Richards Street (weekdays 7:30 a.m. to 4:00 p.m.).

A formal PUC evidentiary hearing is expected in 2009. The timing and amount of any final increase is up to the discretion of the PUC, which may grant an interim increase in the second quarter of 2009, though there is no guarantee it will do so.

Again, we know any rate increase is hard on our customers. We hope you will consider the important reasons for this request.

Sincerely,

Robbie Alm

**Executive Vice President, Public Affairs**